NORTH CAROLINA FILED DHC DHC

BEFORE THE SCIPLINARY HEARING COMMISSION OF THE NORTH CAROLINA STATE BAR 08 DHC 13

THE NORTH CAROLINA STATE BAR,)
Plaintiff,)
V.) ANSWER
KENYANN B. STANFORD, Attorney,)
Defendant.)

Defendant, answering Plaintiff's Complaint, alleges:

FIRST DEFENSE

- 1. In response to the allegations of Paragraph 1 of the Complaint, it is admitted that Plaintiff, the North Carolina State Bar, is a body duly organized under the laws of North Carolina and is the proper party to bring proceedings under the authority granted pursuant to Chapter 84 of the General Statutes of North Carolina and the Rules and Regulations of the North Carolina State Bar to determine issues concerning potential violations of the Revised Rules of Professional Conduct. Except as specifically admitted herein, the allegations of Paragraph 1 of the Complaint are denied.
 - 2. The allegations of Paragraph 2 of the Complaint are admitted.
 - 3. The allegations of Paragraph 3 of the Complaint are admitted.
- 4. In response to the allegations of Paragraph 4 of the Complaint, it is admitted that Defendant was an associate of and later a partner in the law firm of Bailey & Dixon (hereinafter "B&D" or "the firm") from August 1992 until March 30, 2008, with the exception of

the four month period between September 1, 2005, and December 31, 2005. Except as specifically admitted herein, the allegations of Paragraph 4 of the Complaint are denied.

- 5. In response to the allegations of Paragraph 5 of the Complaint, it is admitted that, while Defendant was both an associate and a partner in the firm, the firm issued Defendant a credit card for making charges to the credit account of the firm, and it is admitted that while there was no express policy concerning credit card use by partners in the firm, Defendant understood that the credit card was generally for the purpose of making business or client-related expenses. Except as specifically admitted herein, the allegations of Paragraph 5 of the Complaint are denied.
- 6. In response to the allegations of Paragraph 6 of the Complaint, it is admitted that it was Defendant's general habit to submit monthly expense reimbursement reports, identifying the nature of firm credit card purchases made by Defendant and indicating the manner in which each such charge should be billed or otherwise documented. It is expressly denied that there was a specific and enforced policy of the firm concerning the form of paperwork required for reimbursements or firm credit card use, or that all attorneys submitted expenses and firm credit card documentation in the same manner. Except as specifically admitted herein, the allegations of Paragraph 6 of the Complaint are denied.
 - 7. The allegations of Paragraph 7 of the Complaint are admitted.
- 8. In response to the allegations of Paragraph 8 of the Complaint, it is admitted that while a representative of one of Defendant's insurance clients may have attended one or more of the dinners listed in Paragraph 7 of the Complaint, she believes that most or all of these dinners were attended only by Defendant and members of her family. Except as specifically admitted herein, the allegations of Paragraph 8 of the Complaint are denied.

- 9. In response to the allegations of Paragraph 9 of the Complaint, it is admitted that Defendant prepared and submitted to the firm's bookkeeper expense reimbursement reports indicating that the expenditures listed in the Complaint should be listed as marketing charges. Except as specifically admitted herein, the allegations of Paragraph 9 of the Complaint are denied.
- 10. In response to the allegations of Paragraph 10 of the Complaint, it is admitted that if Defendant attended any of the dinners listed in Paragraph 7 of the Complaint with representatives of any of her insurance clients, the meal charges related to those dinners would have been related to business expenses of the firm and properly charged to firm expenses, and that dinners attended only by Defendant and her family were not related to any client of the firm. Except as specifically admitted herein, the allegations of Paragraph 10 of the Complaint are denied.
- 11. In response to the allegations of Paragraph 11 of the Complaint, it is admitted that Defendant knew that the Expense Reimbursement Reports she submitted, identifying the meal charges on behalf of clients, where no client representatives were actually present, were false. Except as specifically admitted herein, the allegations of Paragraph 11 of the Complaint are denied.
- 12. In response to the allegations of Paragraph 12 of the Complaint, it is expressly denied that, under the circumstances existing at the time, Defendant intended to convert funds belonging to the firm to her own benefit. Except as specifically admitted herein, the allegations of Paragraph 12 of the Complaint are denied.
- 13. In response to the allegations of Paragraph 13 of the Complaint, it is admitted that David Coats, a partner in the firm, presented to Defendant on January 22, 2008, a

spreadsheet listing a number of Defendant's prior firm credit card charges, including the charges listed in Paragraph 7 of the Complaint, that Mr. Coats asked Defendant to provide to the managing partner an explanation for the listed charges, and that Defendant represented that the charges listed in Paragraph 7 of the Complaint were for meals at which Defendant had dined with clients or were for food provided at seminars for corporate clients. Except as specifically admitted herein, the allegations of Paragraph 13 of the Complaint are denied.

- 14. In response to the allegations of Paragraph 14 of the Complaint, it is admitted that some of the representations regarding dining expenses made by Defendant to the managing partner on January 22, 2008, including the representations regarding the charges listed in Paragraph 7 of the Complaint, were false. Except as specifically admitted herein, the allegations of Paragraph 14 of the Complaint are denied.
- 15. In response to the allegations of Paragraph 15 of the Complaint, it is admitted that Defendant used her firm credit card on May 14, 2007, to purchase a gift item at Williams-Sonoma for \$234.57, on behalf of the firm. Except as specifically admitted herein, the allegations of Paragraph 15 of the Complaint are denied.
- 16. In response to the allegations of Paragraph 16 of the Complaint, it is admitted that the gift was shipped to the son a representative of a corporate client, on the occasion of his wedding. It is further admitted that the corporate client had a long relationship with the firm, and that Defendant was the principal contact between the client and the firm, and that the representative had worked at the firm as an associate in years past, was the widow of a deceased partner of the firm, and a personal friend to Defendant, as well as a friend to others in the firm. It is further admitted that the order form indicated that the gift was sent from Defendant, listing the name of the firm, and the firm address, and personalizing the message with

the names of Defendant, her husband and her children. It is further admitted that it had been a practice of other partners in the firm to send gifts to clients on similar occasions, at the firm expense, with a personalized note from the attorney who was the principal contact between the client and the firm, and that the firm had no policy prohibiting this practice. Except as specifically admitted herein, the allegations of Paragraph 16 of the Complaint are denied.

- 17. The allegations of Paragraph 17 of the Complaint are admitted.
- 18. The allegations of Paragraph 18 of the Complaint are denied.
- 19. The allegations of Paragraph 19 of the Complaint are denied.
- 20. The allegations of Paragraph 20 of the Complaint are denied.
- 21. In response to the allegations of Paragraph 21 of the Complaint, it is admitted that David Coats, a partner in the firm, presented to Defendant on January 22, 2008, a spreadsheet listing a number of Defendant's prior firm credit card charges, including the charge alleged in Paragraph 15 of the Complaint, that Mr. Coats asked Defendant to provide to the managing partner an explanation for the listed charges, and that Defendant represented that the charge alleged in Paragraph 15 of the Complaint was a wedding gift for the son of the client. It is further admitted that in response to the firm's remark that it had not received a thank you note for the gift, that Defendant responded that she had not received a thank you note for the personal gift that she had sent, either. Except as specifically admitted herein, the allegations of Paragraph 21 of the Complaint are denied.
 - 22. The allegations of Paragraph 22 of the Complaint are denied.
- 23. In response to the allegations of Paragraph 23 of the Complaint, it is admitted that on July 24, 2007, Defendant purchased on her personal credit card an airline ticket to travel to and from Phoenix on September 28-30, for a trip that she intended, at the time of the

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purchase of the ticket, to be purely personal. Except as specifically admitted herein, the allegations of Paragraph 23 of the Complaint are denied.

- 24. In response to the allegations of Paragraph 24 of the Complaint, it is admitted that during the time alleged, Defendant was seeking to expand her new relationship with a client located in Scottsdale, Arizona, and that after the ticket was purchased, another partner in the firm suggested that Defendant visit the client while on her trip, and that if she made such arrangements, that the firm could then pay the expense of the airline tickets. It is further admitted that Defendant thereafter contacted the client by telephone to arrange the visit, and subsequently prepared and submitted an Expense Reimbursement Form dated August 22, 2007, seeking reimbursement of \$263.10 from the firm for the airfare to Arizona. It is further admitted that Defendant never intended to seek reimbursement of any hotel or lodging expenses associated with the trip, because those expenses were related solely to the personal aspects of the trip. It is further admitted that Defendant prepared the form seeking reimbursement for the airfare by copying an existing Word document which she had previously submitted for a continuing legal education expense, and that she mistakenly failed to modify the designated purpose of the expense on the document that she submitted to indicate that the expense was for marketing purposes, and that she corrected the mistake when she later noticed it. It is further admitted that the firm regularly paid both CLE and marketing expenses for its partners. Except as specifically admitted herein, the allegations of Paragraph 24 of the Complaint are denied.
 - 25. The allegations of Paragraph 25 of the Complaint are admitted.
- 26. In response to the allegations of Paragraph 26 of the Complaint, it is admitted that, after submitting the expense form alleged, Defendant realized that she had prepared the submitted form from a template form and that she had inadvertently neglected to

change the word "CLE" on the form to "marketing," and it is further admitted that Defendant then informed the firm's bookkeeper of her mistake and requested that the charge be listed as a marketing charge, because she had planned to meet with representatives of a new corporate client of Defendant in Scottsdale, Arizona. Except as specifically admitted herein, the allegations of Paragraph 26 of the Complaint are denied.

- 27. The allegations of Paragraph 27 of the Complaint are denied.
- 28. In response to the allegations of Paragraph 28 of the Complaint, it is admitted that identifying the \$263.10 for airfare as a CLE expense on the Expense Reimbursement for was an inadvertent mistake, which Defendant immediately corrected when she discovered it by notifying the firm bookkeeper that the expense should be listed as a marketing charge, which is what it actually was. Except as specifically admitted herein, the allegations of Paragraph 28 of the Complaint are denied.
 - 29. The allegations of Paragraph 29 of the Complaint are denied.
 - 30. The allegations of Paragraph 30 of the Complaint are denied.
- 31. In response to the allegations of Paragraph 31 of the Complaint, it is admitted that David Coats, a partner in the firm, presented to Defendant on January 22, 2008, a spreadsheet listing a number of Defendant's prior firm credit card charges, including the charge alleged in Paragraph 24 of the Complaint, that Mr. Coats asked Defendant to provide to the managing partner an explanation for the listed charges, and that Defendant thereafter represented that she had, in fact, traveled to Phoenix to meet with representatives of a corporate client, that she had intended to stay the entire weekend as part of a joint trip with several friends but was unable to do so due to child care issues, and that she had personally paid for her hotel and the

change fee for the flight. Except as specifically admitted herein, the allegations of Paragraph 31 of the Complaint are denied.

- 32. In response to the allegations of Paragraph 32 of the Complaint, it is admitted that Defendant's representations that she had traveled to Phoenix and that she had personally paid a change fee for her flight were false. Except as specifically admitted herein, the allegations of Paragraph 32 of the Complaint are denied.
- 33. In response to the allegations of Paragraph 33 of the Complaint, it is admitted that Defendant was forced to cancel her September 2007 travel plans at the last minute, approximately four days before the trip in question, due to her husband's work schedule and consequent child-care issues, it is admitted that Defendant did not meet with her client as planned, and it is admitted that Defendant did not travel to Phoenix on the airline ticket for which she had been reimbursed by the firm. It is further admitted that Defendant had purchased a non-refundable ticket, because she believed that she would definitely make the trip at the time of the purchase and in order to save on the price, and as far as Defendant is aware, she could not have used the ticket to travel to Phoenix after the trip as originally planned was cancelled. Except as specifically admitted herein, the allegations of Paragraph 33 of the Complaint are denied.
- 34. In response to the allegations of Paragraph 34 of the Complaint, it is admitted that Defendant was asked by a partner in the firm to provide some documentation of her trip to Phoenix. Except as specifically admitted herein, the allegations of Paragraph 34 of the Complaint are denied.
- 35. In response to the allegations of Paragraph 35 of the Complaint, it is admitted that Defendant did not correct the false statements she had made regarding the Phoenix trip, and it is admitted that Defendant did not possess any documentation of the trip other than

the receipt showing the purchase of the plane ticket which been produced with the August 22, 2007, Expense Reimbursement form, and that she said the words in an email that are attributed to her in Paragraph 35. Except as specifically admitted herein, the allegations of Paragraph 35 of the Complaint are denied.

- 36. In response to the allegations of Paragraph 36 of the Complaint, it is admitted that, sometime before December 10, 2007, Defendant learned that her children's preschool at her family's church was sponsoring a poor family for Christmas, and that Defendant later learned that there was a specific need for gifts for the older children in the family, as the younger children had been fully sponsored by Defendant's family and other families in the preschool. It is further admitted that sometime before December 10, 2007, Defendant sent an email to her partners requesting that the firm donate the gifts for the older children, and fully believing, based upon the firm's response to other partners' requests for charitable donations in the past, that the firm's partners would agree to participate, Defendant used her firm credit card to purchase electronic games equipment and accessories at Target totaling \$468.98.
 - 37. The allegations of Paragraph 37 of the Complaint are admitted.
- 38. In response to the allegations of Paragraph 38 of the Complaint, it is admitted that that on December 12, 2007, when the donations were due and believing the firm's partners would want to support this cause, Defendant donated the electronic games equipment and accessories to the needy family in the name of the firm. Except as specifically admitted herein, the allegations of Paragraph 38 of the Complaint are denied.
- 39. In response to the allegations of Paragraph 39 of the Complaint, it is admitted, as described above, that Defendant, before December 10, 2008, requested via e-mail to the partners of the firm that the firm sponsor the needy family as a Christmas charity project. It

is further admitted that the partners, at a December 13, 2007, meeting at which Defendant was not present, apparently decided to decline Defendant's request, and it is admitted that the firm's managing partner communicated this decision to Defendant at some point after December 13, 2007. Except as specifically admitted herein, the allegations of Paragraph 39 of the Complaint are denied.

- 40. In response to the allegations of Paragraph 40 of the Complaint, it is admitted that at around the time alleged, Defendant was responsible for making purchases for the firm Christmas party, and that Defendant also, with the express permission of the firm, purchased at Target an artificial Christmas tree and other Christmas decorations for the office. It is further admitted that on December 17, 2007, Defendant prepared and submitted an Expense Reimbursement Report for those party supplies and decorations, and that Defendant included charges for the video game and equipment with those charges, representing that the entire amount was for party and decoration expenses. Except as specifically admitted herein, the allegations of Paragraph 40 of the Complaint are denied.
- 41. In response to the allegations of Paragraph 41 of the Complaint, it is admitted that charitable donations, such as the donation of the gifts at issue, could be properly charged to the firm. Except as specifically admitted herein, the allegations of Paragraph 41 of the Complaint are denied.
- 42. In response to the allegations of Paragraph 42 of the Complaint, it is admitted that Defendant knew that the representation on the December 17, 2007, expense report identifying those Target charges which actually related to the purchase of the video game and equipment as expenditures for decorations and the firm Christmas party was false. Except as specifically admitted herein, the allegations of Paragraph 42 of the Complaint are denied.

- 43. In response to the allegations of Paragraph 43 of the Complaint, it is specifically denied that the charitable expenditures at issue were not made on behalf of the firm, or that Defendant derived any personal benefit from the donations of any kind. All remaining allegations of Paragraph 43 of the Complaint are denied.
- 44. In response to the allegations of Paragraph 44 of the Complaint, it is admitted that David Coats, a partner in the firm, presented to Defendant on January 22, 2008, a spreadsheet listing a number of Defendant's prior firm credit card charges, including the charges alleged in Paragraphs 36 and 37 of the Complaint, that Mr. Coats asked Defendant to provide to the managing partner an explanation for the listed charges, and that Defendant represented that she had made a purchase of items totaling \$790.42 for the firm's Christmas party at Sam's Club on the same date as the initial Target purchase, that she used her personal debit card for those purchases because Sam's Club did not accept Visa, that she listed the Target purchases on her expense report as Christmas party expenses in exchange for the firm expenses charged on her personal debit card at Sam's Club, and that she believed she had attached a copy of the Sam's Club receipt to the reimbursement report, but could not now locate a copy of it. Except as specifically admitted herein, the allegations of Paragraph 44 of the Complaint are denied.
- 45. In response to the allegations of Paragraph 45 of the Complaint, it is admitted that the representations alleged in Paragraph 44 of the Complaint were false in part. Except as specifically admitted herein, the allegations of Paragraph 45 of the Complaint are denied.
- 46. In response to the allegations of Paragraph 46 of the Complaint, it is admitted that on December 14, 2007, Defendant purchased at Sam's Club, at her own expense, numerous items for the firm Christmas party, it is admitted that this purchase totaled

approximately \$60 to \$70, it is admitted that Defendant did not request reimbursement from the firm for this purchase, it is admitted that Defendant later gave the receipt for this purchase to the firm's managing partner, and it is admitted that Defendant does not believe that she purchased any items at Sam's Club on December 10 and 11, 2007. Except as specifically admitted herein, the allegations of Paragraph 46 of the Complaint are denied.

- 47. In response to the allegations of Paragraph 47 of the Complaint, it is admitted that Defendant was asked, by the managing partner or another partner in the firm, to obtain from Sam's Club a receipt or other documentation of her purchases at Sam's Club on her personal debit card. Except as specifically admitted herein, the allegations of Paragraph 47 of the Complaint are denied.
 - 48. The allegations of Paragraph 48 of the Complaint are admitted.
 - 49. The allegations of Paragraph 49 of the Complaint are admitted.
 - 50. The allegations of Paragraph 50 of the Complaint are admitted.
 - 51. The allegations of Paragraph 51 of the Complaint are admitted.
- 52. In response to the allegations of Paragraph 52 of the Complaint, it is admitted that Defendant had in the past used her firm credit card, or the firm's account with UPS or FedEx, to ship personal items, that Defendant had on every such prior occasion reimbursed the firm when those shipments were billed to the firm, that this practice was not hidden from the firm, that no one had ever objected, that consistent with this habit, on December 21, 2007, Defendant used her firm credit card to pay \$143.01 to the UPS Store to ship a large package containing a Christmas gift to her sister, and that she fully intended to reimburse the firm when the bill for the charge was received. Except as specifically admitted herein, the allegations of Paragraph 52 of the Complaint are denied.

- 53. The allegations of Paragraph 53 of the Complaint are admitted.
- 54. In response to the allegations of Paragraph 54 of the Complaint, it is admitted that when the bill came in for the shipping expense in late January 2008, Defendant knew that a number of her credit card charges, all of which were appropriate business charges or related to simple oversight or error, with the exception of the charges described in Paragraph 7 of the Complaint, were being investigated by the firm, it is admitted that this type of investigation was extremely unusual and entirely out of keeping with the past practice and procedure of the partnership, and it is admitted that Defendant feared that she faced losing her job if the firm's managing partner discovered any other personal charges on her credit card, regardless of their legitimacy. It is further admitted that Defendant prepared an expense report dated January 28, 2008, representing that the expenditure was for return of materials to a client, planning to reimburse the firm when the charge made its way through billing, that Defendant received from the billing coordinator the statement reflecting this charge on February 12, 2008, that Defendant immediately reimbursed the firm for the charge on February 13, 2008, and that the charge was never billed nor intended by Defendant to be billed to a client. Except as specifically admitted herein, the allegations of Paragraph 54 of the Complaint are denied.
- 55. In response to the allegations of Paragraph 55 of the Complaint, it is admitted that the UPS shipping expense was not related to any client of the firm or to a business expense of the firm, and was not charged to any client of the firm or to firm expenses. Except as specifically admitted herein, the allegations of Paragraph 55 of the Complaint are denied.
 - 56. The allegations of Paragraph 56 of the Complaint are admitted.
 - 57. The allegations of Paragraph 57 of the Complaint are denied.

SECOND DEFENSE

After thirteen years with B&D, Defendant made the difficult decision to leave the practice to join the firm of Brown, Crump, Vanore & Tierney (hereinafter "BCVT") in September, 2005. When the firm's highest producing partner left soon thereafter, the remaining partners asked Defendant to return effective January 1, 2006, indicating that Defendant's return to the firm with her client base would contribute to the business survival of the firm. During negotiations regarding her return, Defendant discussed with the managing partner and another partner, the firm's liaisons for this process, her concerns regarding the compensation calculation that would be made at the conclusion of 2006 to set partner compensation for 2007. Pursuant to the firm's compensation plan in place at the time, realized dollars, or actual individual attributed revenue, was a significant component of the compensation calculation, which was made at the conclusion of each calendar year, based on the prior year's figures, to set partnership percentages and consequent individual monthly partner compensation for the next calendar year. In recognition of the fact that BCVT would collect the entirety of the fees billed by Defendant during the final quarter of 2005, such that Defendant would have no realized dollars at the firm during the first quarter of 2006, given that Defendant's clients were all institutional clients on a quarterly billing schedule, Defendant requested that, when the compensation calculation was performed at the end of 2006, her realized dollars figure for the final three quarters of that year be annualized for purposes of setting her partnership percentage for 2007. Defendant clearly understood that this request was accepted, although no portion of the agreement between Defendant and the firm regarding Defendant's return was reduced to writing, based upon Defendant's trust in the firm's partners. When compensation was set in January 2007, however,

the firm did not annualize Defendant's realized dollars figures as agreed. Defendant felt betrayed and deceived by her partners.

It is the practice of the firm to conduct bi-monthly partners' meetings, after which the partners generally have an expensive dinner at a local restaurant. Because of her bitter disappointment in her partners, Defendant could not bring herself to participate in these dinners during 2007. Instead, she used her firm credit card occasionally during 2007 to pay for modest restaurant meals – pizza or Mexican food – for her family, and represented on her monthly expense reports that these charges were for client marketing. The total cost of these meals was an amount well below what would have been the cost to the firm had Defendant participated in the bi-monthly partner dinners. Defendant acknowledges that this was an inappropriate reaction to the situation at hand; however, she was not attempting to take advantage of her partners or to systematically obtain money or benefits from the firm to which she was not entitled. Defendant had never engaged in this practice prior to February 2007.

On January 22, 2008, Defendant was presented a spreadsheet listing a number of her prior firm credit card charges, and asked to justify them. All of the charges, other than those for the dinners, could have been properly charged to firm business or explained as simple and extremely minor oversight or error. Because of the highly unusual manner in which this issue was presented, however, and because she felt that she could not trust her partners, Defendant, who was the primary source of income for her family of six, was terrified and made the false representations as admitted above. Defendant acknowledges that her conduct in making these representations was wrongful, and she deeply regrets having reacted in this manner.

THIRD DEFENSE

The firm encouraged marketing activities by its attorneys, and had no specific policies on what activities were appropriate, what expenses could be charged to the firm for marketing, or how client gifts were to be presented. Rather, such decisions were generally left to the discretion of the partners. The gift and travel expenses described in the Complaint were understood by Defendant to be appropriate marketing expenses that she could incur at her discretion, and which were in keeping with marketing expenses incurred in the past by other partners in the firm.

FOURTH DEFENSE

The firm had no policy that a traveling expense, properly charged to the firm, had to be reimbursed by the lawyer if the trip was cancelled for any reason. It was common for the firm to absorb the expense of cancelled trips, conferences, or CLE programs.

FIFTH DEFENSE

The firm had no specific policy on the authority of any partner to make or commit the firm to charitable contributions, although such contributions were generally approved by a majority of the partners. At the time that Defendant made the charitable donation on behalf of the firm described in the Complaint, she believed, based on the firm's past response to donation requests made by other partners, that the donation would be approved.

SIXTH DEFENSE

Defendant had previously charged personal shipping expenses to firm accounts, and reimbursed the firm, without objection. Defendant never intended for the firm or a client to pay for the shipping charges alleged in the Complaint. Defendant timely reimbursed the firm for those charges, without being asked to do so, as she had planned.

SEVENTH DEFENSE

Immediately upon being questioned about the various charges to her firm credit card in January 2008, Defendant reimbursed the firm for the charges related to the charitable contribution alleged in the Complaint, as well as for several other charges which related to minor oversight or error, and Defendant offered at that time to allow reimbursement for the entire remainder of the questioned charges to be deducted from her February compensation. Defendant has reimbursed, or offered to reimburse, the firm for every expense at issue in the Complaint.

EIGHTH DEFENSE

In February, 2008, Defendant admitted to the firm that the meal charges described in Paragraph 7 of the Complaint were not, in fact, related to marketing expenses.

NINTH DEFENSE

Defendant acknowledged the wrongful nature of her conduct to her partners who were willing to communicate with her, and apologized to them.

TENTH DEFENSE

Defendant's conduct, as described in the Complaint, does not reflect upon her fitness as a lawyer.

ELEVENTH DEFENSE

Defendant's conduct, as described in the Complaint, did not harm or adversely impact any client, the public, the courts, or the legal system.

TWELFTH DEFENSE

Defendant is a highly competent, knowledgeable and capable lawyer, who has always strived to diligently, zealously, honorably and honestly represent her clients.

WHEREFORE, Defendant respectfully prays that:

- 1. This matter be dismissed;
- 2. Plaintiff's prayer for relief be denied; and,
- 3. Defendant have such other and further relief as shall be deemed just and

proper.

This the $\frac{\partial f}{\partial x}$ day of August, 2008.

TROUTMAN SANDERS LLP

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this day the foregoing Answer was served upon the attorneys of record for Plaintiff in this action by depositing copies thereof in the United States mail, postage prepaid and addressed as follows:

James P. Fox, Chair Grievance Committee Chair The North Carolina State Bar Post Office Box 25908 Raleigh, North Carolina 27611

Margaret Cloutier Deputy Counsel The North Carolina State Bar Post Office Box 25908 Raleigh, North Carolina 27611

This the 21 day of August, 2008.

Patricia P. Kerner